

MINUTE ITEM

6/15/66

6. PROPOSAL OF THE CITY OF LONG BEACH TO EXPEND TIDELAND OIL REVENUES FOR CONSTRUCTION OF AN OIL TANKER TERMINAL AT BERTHS 84-87 - L.B.W.O. 10,230.

After consideration of Calendar Item 4 attached, and upon motion duly made and unanimously carried, the following resolution was adopted:

THE COMMISSION DETERMINES THAT THE EXPENDITURE PROPOSED IN LETTER DATED MAY 12, 1966, OF APPROXIMATELY \$4,023,000 BY THE CITY OF LONG BEACH FROM ITS SHARE OF TIDELAND OIL REVENUES FOR CONSTRUCTION OF A WHARF AND BACK AREA AT BERTHS 84-87 IN THE LONG BEACH HARBOR AREA TO SERVE AS A BULK OIL MARINE TERMINAL, IS IN ACCORDANCE WITH THE PROVISIONS OF CHAPTER 138, STATUTES OF 1964, 1ST E.S.; SAID DETERMINATION TO BE SUBJECT TO THE CONDITION THAT THE WORK CONFORM IN ESSENTIAL DETAILS TO THE PLANS AND BACKGROUND MATERIAL HERETOFORE SUBMITTED.

Attachment

Calendar Item 4 (2 pages)

4.

PROPOSAL OF THE CITY OF LONG BEACH TO EXPEND TIDELAND OIL REVENUES FOR CONSTRUCTION OF AN OIL TANKER TERMINAL AT BERTHS 84-87 - L.B.W.O. 10,230.

On May 12, 1966, the City of Long Beach, through the Office of the City Attorney, filed a letter of intent to expend a portion of its share of tideland oil revenues, pursuant to the authority of Chapter 138/64, 1st E.S., for construction of a wharf and the development of the back-area at Berths 84-87 in the Long Beach Harbor District. The facility will serve as a bulk oil terminal under lease to Texaco Incorporated. The estimated cost of the work is \$4,023,000. After review of the background material submitted by the City, it is the opinion of the staff that the cost estimates are reasonable, although in the upper range. Attached Exhibits "A", "B", "C", "D", "E", and "F" supply cost estimates and a graphic description of the work.

In its letter dated May 12, 1966, the City specified Section 6(a) as the particular subdivision of Chapter 138 which the City deems applicable to an authorization of the work. Section 6(a) of Chapter 138, Statutes of 1964, 1st E.S., is repeated hereinafter for the information and convenience of the Commission.

"Sec. 6. The Legislature hereby finds that the remaining oil revenue hereinabove allocated to the City of Long Beach is needed and can be economically utilized by said City for the fulfillment of the trust uses and purposes described in said acts of 1911, 1925 and 1935 and described as follows in this act, which are hereby found to be matters of state, as distinguished from local, interest and benefit.

(a) The construction, reconstruction, improvement, repair operation and maintenance of works, lands, waterways, and facilities necessary for the harbor within the boundaries of the harbor district of said city (as said boundaries were defined on April 1, 1956)."

IT IS RECOMMENDED THAT THE COMMISSION DETERMINE THAT THE EXPENDITURE PROPOSED IN LETTER DATED MAY 12, 1966, OF APPROXIMATELY \$4,023,000 BY THE CITY OF LONG BEACH FROM ITS SHARE OF TIDELAND OIL REVENUES FOR CONSTRUCTION OF A WHARF AND BACK AREA AT BERTHS 84-87 IN THE LONG BEACH HARBOR AREA TO SERVE AS A BULK OIL MARINE TERMINAL, IS IN ACCORDANCE WITH THE PROVISIONS OF CHAPTER 138, STATUTES OF 1964, 1ST E.S.; SAID DETERMINATION TO BE SUBJECT TO THE CONDITION THAT THE WORK CONFORM IN ESSENTIAL DETAILS TO THE PLANS AND BACKGROUND MATERIAL HERETOFORE SUBMITTED.

Attachment  
Exhibit "A"

EXHIBIT "A"COST ESTIMATEChannel 2, Berths 84-87 Oil Tanker Terminal

WHARF - 2,010 feet at \$613/ft.	\$1,233,000
DREDGING - 244,000 cu. yds. at \$1/cu. yd.	244,000
ROCKWORK - 101,000 cu. yds. at 1.5 tons/cu. yd at \$5/ton	756,000
FILL -	
a. Slough north of L.B.H.D. property line - no charge. Disposal area for dredge.	-
b. Slough south of L.B.H.D. property line - 342,000 cu. yds at \$1.20/cu. yd.	409,000
c. Move surcharge - 130,000 cu. yds. at \$.50/cu. yd.	64,000
DRAIN LINE	40,000
OIL FACILITIES -	
a. Raise Wells MU3D, MU2D, 61W, M657D at \$10,000 each	40,000
b. Remove platform and derrick	10,000
POSSIBLE RAISE or ALTER PD7RD, PD2RD	34,000
UTILITIES TO LEASE	45,000
PAVING TO LEASE	24,000
ADDITIONAL U.P. LEASE COSTS	<u>150,000</u>
Subtotal	\$ 3,049,000
CONTINGENCIES	609,000
ENGINEERING	<u>365,000</u>
TOTAL	\$ 4,023,000